CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

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	SECURITY INFORMATION			25X1
COUNTRY	East Germany	REPORT		
SUBJECT	l. Transfer of Functions between the Ministry for Construction and the	DATE DISTR. 8 May 195		953
	Ministry of the Interior 2. Camouflaged Military Supply Ministr	NO. OF PAGES	4	
DATE OF INFO.		REQUIREMENT		25X1
PLACE ACQUIRED	*	REFERENCES	:	25X1
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	THE SOURCE EVALUATIONS IN THIS REPORT A THE APPRAISAL OF CONTENT IS TEN			

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1. The Ministry for Construction (Ministerium fuer Aufbau) is to transfer certain of its responsibilities for armed services installations to the Ministry of the Interior. Planning is to be centralized in the Zentrale Bauabteilung controlled by State Secretary Meyer¹ in the Ministry of the Interior. Certain persons in the Ministry for Construction will move to the Ministry of the Interior. One entire section, the Planning (Projektierung) Section, is very shortly to move to the Ministry of the Interior. One result of the change will be that no section of the Ministry for Construction will any longer have a clear picture of what services installations are planned. Reorganization is still fluid and details still confused. It may be helpful, therefore, to sum up what are believed to be the facts about the present structure of the Ministry of Construction (as of 10 February 1953) and to describe the expected transfer of functions and personalities to the Ministry of the Interior.

Ministry of Construction (Ministerium fuer Aufbau) on 10 February 1953

- 2. Minister Dr. Lother Bolz, who is expected to become Foreign Minister, is the head of the Ministry for Construction. State Secretary, Joseph Haferant? an enganeer who used to be in charge of the HV Bauindustrie, is his deputy. There are four Hauptverwaltungen or main subordinate departments of the Ministry whose functions are described below:
 - HV Architecture,, directed by Walter Pisternik; a former bricklayer mason. The East German Building Academy (Bauakademie) is attached to this department. The academy, headed by Dr. (fnu) Liebknecht, is responsible for architectural; designs.
 - (1)HV Design (Entwurf) directed by Waldemar Alder⁵. All industrial designs and plans have to be accepted by this department. It is repensible for planning industrial premises, agricultural buildings, dwellings, and to a limited extent, services barracks and installations of minor importance.

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- (2) Subordinate to the department is the Central Institute for Designing (Zentral Institut fuer Entwurfsarbeiten) located at No. 1 Koelnischen Park. Alder is supposed to be in charge of the institute but it is actually run by Georg Schad. This central institute works out plans for industrial undertakings of special importance and also for services installations of particular importance.
- c.(1) HV Bauindustrie directed by (fnu) Bubl⁶, an exceptionally well qualified engineer.

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Unionen with a town designation such as Halle, Erfurt and so on are subordinate to HV Bauindustrie with the exception of Cottbus, which is the railway Bau Union. These Bau Unionen are mainly engaged on industrial construction and are only called upon to participate in services construction work in cases of really urgent need.

- (2) The Machine Park of Constructional Machinery is subordinate to HV Bauindustrie.
- d. HV Stone and Earth7, directed by (fnu) Raeschler, controls supplies of all constructional materials except wood. The timing of the takeover of control was unfortunate in that it coincided with an acute shortage of some important building materials.

 the building materials target was 2,000 tons short in January alone. The railway direction is being blamed for this shortage.

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3. Each arm of the service is to have its own planning section. In order to facilitate the organization of the planning sections directly controlled by the three arms of the services, the former planning offices are being reduced in size and placed directly under the control of the local authorities. It is intended that the specialists, whose jobs are duplicated by this reorganization, be directed to the various central planning sections of the services. Much more stress will be laid on security considerations than has been the case hitherto.

Ministry of the Interdor

- 4. The Ministry of the Interior, headed by Willi Stoph, includes sections of the BfW (Buero fuer Wirtschaftsfragen). Some at least of these sections are located in different offices. One part of the BfW under the direction of State Secretary Wilhelm Meyer is in the Glinkastrasse. The senior administrative officer is (fnu) Klauke, formerly head (Referent) of the reviewing subdepartment of the HV Bau-industrie. The officials responsible for naval (Seepolizei) affairs are in the Schnellerstrasse. The central finance section for all three arms of the services is under the direction of Kurt Kramer in the Glinkastrasse.
- 5. Each of the service sections controls research institutes, that for the air force being at Pirna. There are naval research institutes at Stralsund and Wismar. Wismar specializes in the development of speedboats. No research institute for the army is known. It is considered probable that none exists because Russian equipment will be used for some time to come. Each of the service sections is in a state of constant reorganization, both as to personnel and departmental structure. The section responsible for aviation affairs, for example, was temporarily located in the Glinkastrasse and in the Behrenstrasse before moving to the Schnellerstrasse.
- 6. Stoph, Weinberger and Kramer have maintained their leading positions throughout and are considered to be the directing brains of a budding Ministry of Defense. In addition, Heinrich Rau, the so-called coordinating Minister for Power and Construction is collecting round him a number of the leading building specialists who used to work for the Ministry of Construction. Specially selected have been reliable SED functionaries such as (fnu) Lehmann, formerly of the HV Bauindustrie, who is in charge of the section responsible for manpower (Abteilung Arbeitskraft). He is a 100% SED man and informer. Others in the group include

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(fnu)Westphal, until recently in charge of constructional machinery and steel construction in the HV Bauindustrie of the Ministry of Construction.

7. Ernst Scholz, formerly director of the HV Bauindustrie in the Ministry of Construction, has now been transferred by the Central Committee to act as State Secretary to

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- 8. Broadly speaking, those responsible for planning services installations will be grouped round Rau. Their plans will be executed by those subordinate to Meyer, through his new Zentral Eauabteilung. The so-called Eau Unionen of the armed Bervices are later to be placed directly under his control. These Bau Unionen comprise North, South, North-East and Coastal. It may be appropriate to note at this point that on T Jahuary 1953 Bau Union Stralsund, part of Bau Union North, and those parts of Bau Union Potsdam engaged on work near the coast, were amalgamated into a single Bau Union Coastal (Kueste) directly subordinate to the Ministry of the Interior.
- 9. The precise method of control is not clear at the moment. For example, the former Bau Union North headed by (fnu) Spiess is directly subordinate to the Navy and is called Baustab Blowe and Lohme. This is the largest constructional undertaking on the Island of Ruegen. The entire project consists of the canal near Glowe between Ruschwitz and Glowe, the U-boat harbor Jasmunder Bodden, as well as an alleged rocket site near Lohme between Sassnitz and Mukran.

The so-called Baustab Prora is entirely occupied with construction of barracks.

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Camouflaged Military Supply Ministries

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the Ministry

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for Transport and Agricultural Machinery, headed by Berndt Weinberger, and the Ministry for General Machinery Construction (Allgemeine Maschinenbau), headed by Helmut Wunderlich, are to contain sections which will in reality make them into camouflaged sections of a Ministry of Supply. Thus, the Transport Ministry will be responsible for military transport, trucks, special military machinery and eventually even tanks. But the last-named item is only a possibility for the future as Russian tanks are to be used at least initially. The Ministry for General Machiner Construction will supervise such items as diesel engines for the services.

11. In general, in control of all the camouflaged supply sections is the coordinating Minister for Power and Construction, Rau.

Russian Control

12. A Russian officer who appeared frequently in the Ministry for Construction during planning for the so-called services Bau Unionen, North, South, North cast and Coastal, is a certain Col. Makarov. He was usually accompanied by an unidentified Lieutenant-Colonel. Col. Makarov is regarded as a highly competent airfield specialist with a mind of his own and an effectively authoritative manner.

His own office is believed

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to be in Werder,

Zentrales S.B.B. Potsdam

13. The Zentrales Sonderbau Buero of S.B.B. Potsdam used to be a link between the former HV Sonderbauten, Ministry for Construction, and the other S.B.Bs: Work undertaken was of a type usually described as Keeh building or Ithmenities. It also appears that the S.B.B. may be responsible for the repair and expansion of old German services installations but that it is not responsible for entirely new construction. The precise fate of the former HV Sonderbauten is not known at present. Dr. (fnu) Brotke is the head of the Zentrales S.B.B. His technical director is (fnu) Herzberg.

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	Comments:	
1.	Probably Willi or Wilhelm Mayer.	
2.	Hafrang and Harfand.	
3.	Formerly chief of the Main Department of tity Planning, Ministry of Construction.	
4.	Possibly Kurt Liebknecht, German Academy of Construction.	
5.	Heinrich Meier was made chief of the Main Administrat	ion
	for Design.	
6.	Bubel.	
7.	HV Steine und Erde not under this ministry.	25X1
8.	Heinz Raeschler chief of the	
,	Main Administration of Building Material Industries, Ministry of Construction.	25X1
9.	Heinrich Rau heading the Industry and	
7.7	Transportation Section of the Cabinet for Coordination and Control	25X1

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